

**TESTIMONY OF  
DR. STEPHEN W. LARCEN  
SUBMITTED TO THE  
PUBLIC HEALTH COMMITTEE  
Wednesday, March 18, 2015**

**SB 1089, An Act Concerning Mental Health Services.**

Senator Gerratana, Representative Ritter, and members of the Public Health Committee, good afternoon. I am Steve Larcen, President of the Behavioral Health Network for Hartford HealthCare. I have recently co-chaired a Connecticut Hospital Association sub-committee on behavioral health with Stephen Merz of Yale, and several of our recommendations are included in this bill. You will hear from several of our committee members who will testify in support of the various provisions of this bill.

I want to thank this committee for bringing a comprehensive mental health bill forward at this time. At a time of limited resources it would be easy to defer acting on these important issues. But I would urge you to consider both the lives that will be saved, and if wisely targeted, resources that I am convinced will improve health outcomes and truly save taxpayer dollars by reducing healthcare costs.

I would like to focus my remarks on just two provisions in the bill that I believe will truly move us to better value, and improved outcomes for our clients.

**Section 14** calls for the agencies in the Behavioral Health Partnership to “develop and implement a program to improve the provision and coordination of services to Medicaid recipients”. The Partnership has accomplished great things in its 9 years. However, one promise – that improvements in care and savings would be reinvested in the services and reimbursement providers receive – **has not been kept**. This provision will ensure that the Partnership agencies provide incentives to health care providers to improve the quality and decrease the costs of care, including requirements that quality standards ensure the improvement and coordination of care.

I testified before appropriations regarding my disappointment that the initiative to establish this kind of program for our dually eligible Medicare/Medicaid clients was eliminated from the

budget. I understand how difficult it is to develop a program with Medicare funding and CMS red tape that would truly save the state Medicaid resources. The Lt. Governor is leading the State Innovation Model initiative, and if this provision of SB 1089 is passed, we can expect that behavioral health initiatives as part of SIM can be realized in the near term that reinvest savings in our fragile behavioral health delivery system.

**Section 16** calls on the Partnership agencies to expand the recently implemented behavioral health homes beyond the local mental health agencies that are beginning this service next month. Our organization, through Rushford, has been engaged in this process from the beginning. However, CT has a narrow band of providers engaged in this effort. We have met with Dr. Joe Parks, Medicaid Director for Missouri. They have now completed 3 years with the health home approach, and they included hospital-based clinics and FQHC's in their initiative. Now that they have completed the two year demonstration period, they have convincing data on the value and impact of this broader approach. Overall Medicaid savings of \$23.1 million were realized, in a state roughly twice our size. Of this 20,000 clients we impacted and \$15.1 million was saved in the mental health center sector and 23,000 clients and \$7.4 million was saved in the hospital and FQHC part of the demonstration. More impressively, the impact on client health outcomes were dramatic, including:

- ✓ reduced LDL's and blood pressure,
- ✓ improved A1C measures for diabetics, and
- ✓ fewer hospitalizations and reduced use of the ED,

all demonstrate that the work of better care coordination can save lives.

I urge you to pass SB1089, and we will work with you to ensure that it is feasible to do it in the context of our fiscal constraints. We need to make headway in our efforts to make comprehensive improvements to the behavioral health system, and taken together along with the recommendations of the Sandy Hook Commission, these comprehensive improvements will make a difference in people's lives. It will also show wise stewardship of our resources to invest in those areas that will meet the triple aim of improved quality, consumer access, and reduced cost.